

FACT SHEET

Attached are instructions for the new Construction Contract input transaction (CC). The following is a list of facts relating to the Construction Contract:

- o The Construction Contract is a new transaction designed to encumber funds in type 02 accounts for FY 91.
- o The Construction Contract is designed to handle multi fiscal year contracts enabling departments to encumber current FY obligation on the first line and record future year obligations on the out year obligation file.
- o The Construction Contract is designed to eliminate the need for manual GAAP reporting.
- o The Construction Contract is designed to roll multi fiscal year contracts eliminating the need for PEND 5 approval by CTR, beginning in FY 92.
- o The Construction Contract is designed to use the same contract document ID # over the life of the contract.
- o The Construction Contract is designed to capture expenditures over the life of the contract.
- o There is no pre-encumbrance transaction for the CC.
- o The Construction Contract will not accommodate accounts payable period. Instead there will be an early cut off date for Accounts Payable activities. Then a CC with an out year obligation will roll to the next FY as an approved contract.
- o There will be no automated conversion from SC to CC for FY 91. As a one time transition effort departments should manually reduce FY 90 Cross Fiscal Year Contracts to the closed amount (zero) then enter a CC that reflects the correct encumbrance for current fiscal year and record the anticipated future fiscal year obligations in the appropriate outyear obligation field.
- o FY 91 CC Transaction Processing Procedure
 - A. For FY 91 contracts that existed in FY 90 (Conversion)
 - a. Decrease all FY 90 SC's with SM's.
 - b. Data enter the CC transaction for the above SC's information.
 - c. Forward the SM decrease and corresponding CC's in the same package for CTR review, for contract verification and approval. Send the complete package directly to the Procurement Unit, ATTN: Construction Section.

B. For new (FY 91) Construction Contracts

- a. Data enter the CC transaction
 - b. Forward the original contract and all appropriate supporting documentation with the CC transaction, in PEND 5 status for CTR approval.
- o The CC will require CTR PEND 5 approval.
 - o The CC with an M indicator will require CTR PEND 5 approval.
 - o The CM transaction will be processed to move money between fiscal years as long as the total obligation of the contract remains the same. CTR PEND 5 approval is not required.
 - o The CM MMARS screen is identical to the CC except for the name of the screen and the edits that are performed.